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FM AMEMBASSY LISBON  
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INFO RUCNMEM/EU MEMBER STATES

C O N F I D E N T I A L LISBON 002912

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C O R R E C T E D C O P Y (ADDRESSEE REMOVED/ADDED PASS LINE)

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E.O. 12958: DECL: 11/13/2017  
TAGS: [EAGR](#) [ETRD](#) [EUN](#) [PO](#) [TBIO](#)  
SUBJECT: PORTUGAL SUPPORTS EU COMPLIANCE WITH WTO RULING ON  
BIOTECH

REF: A. STATE 153542  
[1](#)B. LISBON 02171

#### Summary

[1](#)1. (C) In response to ref A points, Portugal underscored its efforts to support EU compliance with the WTO Dispute Settlement Body panel "reasonable period of time" ruling due to expire on November 21. In particular, MFA officials told us that Portugal made the very difficult decision to abstain in the October 30 Environmental Council vote to approve Austrian safeguards, defeating Austria's efforts to erect additional non-tariff trade barriers to genetically-modified organisms(GMOs). Despite official government support for biotech, activists established the first GMO-Free zone within the European Union in southern Portugal on November 5.

#### MFA and Economy Pressure Environment to Abstain

[1](#)2. (C) At the MFA's request, on November 6 Emboffs met with MFA officials who highlighted recent Portuguese efforts to support EU compliance with the WTO's 'reasonable period of time' on biotech. They said the MFA and Ministry of Economy had to exert strong pressure on the Ministry of the Environment to abstain instead of voting in favor of the Austrian safeguard measure. This contributed to Austria's inability to receive a qualified majority to erect non-tariff trade barriers.

#### Agriculture Ministry Urged to Accelerate Approvals

[1](#)3. (C) The Ministry of Agriculture, under strong pressure from a number of farm-related organizations, also supported the abstention. A November 13 letter signed by three major agricultural organizations (COCERAL, FEFAC, and FEDIOL) urged Agriculture Minister Jaime Silva, in his role as EU Farm Council President, "take practical measures as soon as possible, to avoid a major feed and food security crisis." In particular, the letter encouraged the acceleration of the EU GMO approval process and the "setting of a temporary practical threshold for not yet approved GM events, which have been assessed by EFSA or approved by another OECD country." Emboff received a copy of the letter, which was also sent to numerous EU functionaries, including all members of the EU Commission. An Embassy contact also indicated that multinational food processing companies throughout the EU may be stepping into the debate more aggressively, pressuring EU authorities for a faster biotech approval process and the establishment of wider thresholds for IP soybeans.

#### Portugal Declares First GMO-Free zone in EU

¶4. (SBU) On November 5, the Portuguese municipality of Lagos in southern Portugal became the first legally-recognized "GMO-free" zone in the European Union. While Portugal is one of only seven EU countries to permit the planting of GMO crops, the Ministry of Agriculture stands behind its "neutral" national policy, which enables municipalities to define local standards and practices for GMO usage. Portugal is the fourth largest cultivator of GMO (Bt) maize in the EU, following Spain, France, and the Czech Republic, with a total of 4,500 hectares.

Comment

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¶5. (C) Despite Portugal's forward-leaning position on biotech within the EU, Portuguese Minister for the Environment Francisco Nunes Correia stated to the press that the inability to achieve a qualified majority for or against the Commission proposal to lift Austrian restrictions gives member states "pause for thought." He pointed to the motivation of some EU members' support of Austria as a reflection of their belief that "a member state's will should be respected" as it pertains to whether or not to introduce GMO crops into the food supply. As such, Portugal was the first country to allow municipalities to determine their own GMO-status, resulting in the district of Lagos declaring itself GMO free on November 5. We note that this is the same district in which foreign activists destroyed a hectare of biotech maize in August, resulting in public outrage and official consternation (ref B). Biotech advocates will have to work more energetically to build public support if they hope to counter the stepped-up efforts of anti-GMO activists in Portugal.  
Hoffman